

Message Text

LIMITED OFFICIAL USE

PAGE 01 EC BRU 12149 102056Z

14

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-07
FRB-03 INR-07 NSAE-00 CIEP-01 SP-02 STR-04 TRSE-00
LAB-04 SIL-01 OMB-01 SAJ-01 USIA-06 XMB-02 OPIC-03
/061 W

----- 084590

R 101833Z DEC 76

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC 2556

INFO ALL EC CAPITALS 2854

AMEMBASSY ANKARA

AMEMBASSY ATHENS

AMEMBASSY NICOSIA

LIMITED OFFICIAL USE EC BRUSSELS 12149

E.O. 11652: N/A

TAGS: EC, GR

SUBJECT: GREECE-EC RELATIONS: FINANCIAL PROTOCOL; ACCESSION
NEGOTIATIONS

1. SUMMARY: EC-GREECE NEGOTIATIONS ON FINANCIAL PROTOCOL
UNDER EC-GREECE ASSOCIATION AGREEMENT ARE PROCEEDING
HARMONIOUSLY. FIRST AMBASSADORIAL LEVEL WORKING SESSION
OF GREEK ACCESSION NEGOTIATIONS IN BEING HELD IN BRUSSELS
DECEMBER 10 TO BEGIN PROCESS OF IDENTIFYING PROBLEM AREAS
REQUIRING FURTHER DISCUSSION. END SUMMARY.

2. ON DECEMBER 6 THE EC AND GREECE HELD AN AMBASSADORIAL-
LEVEL NEGOTIATING SESSION AND REACHED GENERAL AGREEMENT
ON A FINANCIAL PROTOCOL TO BE CONCLUDED WITHIN THE FRAMEWORK
OF THE PRESENT EC-GREECE ASSOCIATION AGREEMENT. EC
HAS PROPOSED A TOTAL ASSISTANCE PACKAGE OF 280 MILLION U.A.
MOST OF THIS ASSISTANCE WILL BE IN THE FORM OF LOANS FROM
THE EUROPEAN INVESTMENT BANK TO BE USED FOR PROJECTS
IN THE INDUSTRIAL AND AGRICULTURAL SECTORS. THE PACKAGE
ALSO INCLUDES A SMALL GRANT COMPONENT FROM THE EC BUDGET (USEC
11269).

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 EC BRU 12149 102056Z

3. ACCORDING TO DCM AT GREEK MISSION TO EC, GREECE

TOLD EC IT BELIEVES GREECE NEEDS AND INDEED DESERVES MORE EC AID THAN THE PROFFERED 280 MILLION U.A. SINCE GREECE RECEIVED NO COMMUNITY ASSISTANCE DURING THE LONG PERIOD (1967-1974) WHEN ASSOCIATION AGREEMENT WAS FROZEN. NONETHELESS, GREECE IS PREPARED TO ACCEPT THE AMOUNT OFFERED BY THE EC, HE INDICATED. IN DECEMBER 6 NEGOTIATIONS, HOWEVER, GREECE ASKED FOR TWO THINGS WHICH EC DELEGATION HAS REFERRED TO EC COUNCIL FOR DECISION: (1) TO BEGIN DRAWING ON MONEY AS SOON AS PROTOCOL IS SIGNED, RATHER THAN WAIT UNTIL JANUARY 1978, AFTER RATIFICATION OF PROTOCOL BY NATIONAL PARLIAMENTS; AND (2) THAT FINANCIAL PROTOCOL COVER THREE YEARS, RATHER THAN FIVE, AS PROPOSED BY COMMUNITY. PERM DEL OFFICIALS SUGGEST IT WILL BE EASIER FOR COMMUNITY TO COMPROMISE ON SECOND POINT THAN ON FIRST, SINCE FIRST POINT INVOLVES SOMEWHAT RIGID TECHNICAL INTRA-COMMUNITY PROCEDURES. IN ANY CASE, GREEK MISSION, EC COMMISSION, AND PERMDELS AGREE THAT THESE QUESTIONS CAN BE RESOLVED HARMONIOUSLY AND THAT DISCUSSIONS ON THE FINANCIAL PROTOCOL SHOULD BE CONCLUDED SHORTLY. THEY NOTE THAT GREECE ACHIEVE FULL EC MEMBERSHIP BEFORE THE EXPIRATION DATE OF THE PROTOCOL, THE PROTOCOL WILL CEASE TO HAVE EFFECT, SINCE GREECE WILL, AS EC MEMBER, BE ELIGIBLE FOR GREATER LOANS AND OTHER FINANCIAL BENEFITS THAN PROVIDED IN THIS PROTOCOL.

4. WE HAVE BEEN INFORMED BY EC COMMISSION AND GREEK MISSION THAT FIRST WORKING SESSION AT "AMBASSADORIAL LEVEL" IN GREEK ACCESSION NEGOTIATIONS WILL BE HELD IN BRUSSELS DECEMBER 10. (GREEK DELEGATION WILL REPORTEDLY BE HEADED BY BANK OF GREECE DEPUTY GOVERNOR KRYAIZIDES, DEPUTY TO MINISTER PAPALIGOURAS IN THE ACCESSION NEGOTIATIONS.) THIS SESSION WILL DISCUSS WORK PRIORITIES FOR COMING MONTHS AND WILL INITIATE PROCESS OF SORTING OUT CONVERGENCE/DIVERGENCE BETWEEN EC AND GREEK TRADE PRACTICES IN THE INDUSTRIAL FIELD. WE ARE TOLD THAT ON DECEMBER 10 AND IN OTHER EARLY NEGOTIATING SESSIONS, THE TWO SIDES WILL TRY TO IDENTIFY PROBLEM AREAS, LET EACH SIDE STATE ITS OPENING POSITION, LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 EC BRU 12149 102056Z

AND THEN LEAVE THESE PROBLEMS FOR LATER STUDY AND RESOLUTION.HINTON

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FINANCE, ECONOMIC AGREEMENTS, REGIONAL ORGANIZATIONS, RELATIONS WITH REGIONAL ORGS
Control Number: n/a
Copy: SINGLE
Draft Date: 10 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976ECBRU12149
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760457-0908
From: EC BRUSSELS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761255/aaaabvkc.tel
Line Count: 108
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 05 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <05 APR 2004 by ShawDG>; APPROVED <06 APR 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GREECE-EC RELATIONS: FINANCIAL PROTOCOL; ACCESSION NEGOTIATIONS
TAGS: PORG, PFOR, EC, GR, EEC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006